IN THE HIGH COURT OF KERALA AT ERNAKULAM

PRESENT :

THE HONOURABLE MR. JUSTICE S.SIRI JAGAN

MONDAY, THE 9TH APRIL 2007 / 19TH CHAITHRA 1929

WP(C).No. 11088 of 2007(T)

PETITIONER:

SMT.SREEDEVI AMMA. G.,
SREE VIHAR, VADAKKUMTHALA EAST P.O.,
KARUNAGAPPALLY.

BY ADV. SRI.S.EASWARAN

RESPONDENTS:

---

1. KERALA FINANCIAL CORPORATION,
VELLAYAMBALAM, THIRUVANANTHAPURAM, REPRESENTED
BY ITS MANAGING DIRECTOR.

2. THE CHIEF MANAGER, KERALA FINANCIAL
CORPORATION, AGC COMPLEX, BEACH RAOD,
KOLLAM-691 001.

BY STANDING COUNSEL SRI.A.A.ABUL HASSAN.

THIS WRIT PETITION (CIVIL) HAVING COME UP FOR ADMISSION ON 09/04/2007, THE COURT ON THE SAME DAY DELIVERED THE FOLLOWING:

S. SIRI JAGAN, J.

WP(C) NO. 11088 OF 2007 T

Dated this the 9th day of April, 2007

J U D G M E N T

The petitioner's grievance in this writ petition is that although she has defaulted repayment of loan amount taken from the first respondent-the Kerala Financial Corporation, she is entitled to the benefits of one time settlement scheme for which she has applied for by Ext.P3 which the respondents have not considered yet.

2. The learned Standing Counsel appearing for respondents submits that although the petitioner has submitted Ext.P3, the same cannot be considered for two reasons. First is that under the one time settlement scheme, the application for availing of the benefits thereof should be accompanied by the minimum amount to be deposited as per the scheme. Secondly, the application should also contain definite proposals regarding settlement which also is absent in Ext.P3. The learned Standing Counsel submits that if the petitioner submits a fresh application with definite proposals for settlement after paying a substantial amount, the respondents are prepared to

consider her claim for one time settlement as per the norms regarding one time settlement in force in the first respondent-Corporation.

3. After considering the arguments on both sides, I dispose of this writ petition on the following terms:-

The petitioner shall file a fresh application seeking the benefits of one time settlement putting forward the definite proposals as to how the petitioner proposes to settle the loan account. She shall also pay, as a condition for considering her application, an amount of Rs.1.5 lakhs within two weeks along with the application to be so submitted. If the petitioner so files an application and pays the aforesaid amount of Rs.1.5 lakhs as directed above, the respondents shall consider the petitioner's application for one time settlement and convey to the petitioner their decision on the same. If the petitioner complies with the above directions, further proceedings for coercive recovery shall be kept in abeyance and further proceedings shall be in accordance with the orders to be passed in the application of the petitioner. However, if the petitioner commits default in complying with

the above direction, it would be open to the respondents to continue the proceedings now initiated without having to issue any fresh notice or proceedings in that regard.

sd/-

S. SIRI JAGAN,
Judge

Mbs/

-True Copy-

P.A.to Judge.

S.SIRI JAGAN, J

W.P.(C) NO. OF 2001

J U D G M E N T

DATED:13-02-2007